

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In Re:

BED BATH & BEYOND INC., *et al.*,

Debtors¹.

Case No.: No. 23-13359 (VFP)

Chapter: 11

(Jointly Administered)

**OBJECTION OF STUDIO CITY EAST 93K, LLC TO NOTICE
TO CONTRACT PARTIES TO POTENTIALLY ASSUMED
EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

Studio City East 93K, LLC (“Studio City”), by and through its undersigned counsel, hereby submits this objection (the “Objection”) to the Notice to Contract Parties to Potentially Assumed Executory Contracts and Unexpired Leases (“Notice”) [ECF No. 714] filed by the above-captioned debtors (“Debtors”) and in support of this Objection, respectfully states as

¹ The last four digits of Debtor Bed Bath & Beyond Inc.’s tax identification number are 0488. A complete list of the Debtors in these Chapter 11 Cases and each such Debtor’s tax identification number may be obtained on the website of the Debtors’ proposed claims and noticing agent at <https://restructuring.ra.kroll.com/bbby>. The location of Debtor Bed Bath & Beyond Inc.’s principal place of business and the Debtors’ service address in these Chapter 11 Cases is 650 Liberty Avenue, Union, New Jersey 07083.

follows:

Background

1. Debtor Bed Bath & Beyond Inc. (“Tenant”), as tenant and Studio City, as landlord are parties to a lease agreement dated July 1, 1992 (as amended from time to time, the “Lease”) with respect to retail premises located at 12555 Ventura Boulevard, Studio City, CA.

2. The Lease is listed on Schedule A to the Notice as an agreement that may be assumed and assigned by the Debtors. Schedule A to the Notice alleges that the cure payment with respect to assumption of the Lease is \$34,299.94.

Objection

3. Pursuant to section 365(b)(1) of the Bankruptcy Code, “[i]f there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease the trustee—(A) cures, or provides adequate assurance that the trustee will promptly cure, such default” 11 U.S.C. § 365(b)(1)(A).

4. Tenant has failed to pay its allocated share of common area charges, property tax reimbursement, and insurance reimbursement due under the Lease. As of June 22, 2023, the aggregate balance due under the Lease is \$57,258.66, which is comprised of the following: (i) 2022 CAM reimbursement in the amount of \$19,157.00, property tax reimbursement in the amount of \$35,731.27, and insurance reimbursement in the amount of \$2,370.39.

5. Accordingly, Studio City asserts that the correct cure amount for the Lease is \$57,258.66 (the “Cure Amount”). Documentation supporting the Cure Amount owed by Tenant is attached hereto as **Exhibit 1**.

6. If the Lease is assumed or assumed and assigned, the full Cure Amount plus

any additional amounts that accrue under the Lease through the date of assumption or assumption and assignment must be paid to Studio City. Studio City objects to any assumption or assumption of the Assignment unless all defaults under the Lease are cured as required under section 365(b) of the Bankruptcy Code.

7. To the extent that the Debtor intends to assume and assign the Lease, Studio City reserves all rights pursuant to section 365(b) of the Bankruptcy Code with respect to adequate assurance of future performance under the Lease by the assignee.

8. Studio City further reserves the right to amend, supplement, or otherwise modify this Objection.

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WHEREFORE, Studio City requests that the Court sustain this Objection and grant Studio City additional relief that is just and equitable.

Dated: New York, New York
June 23, 2023

Respectfully submitted,

MORITT HOCK & HAMROFF LLP

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